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April 24, 2008

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"Small businesses are the lifeblood of the American economy and should be given the resources they need to remain competitive in a fast moving, global marketplace," Rep. Melancon said. "Some of the brightest minds in the country can be found in the small business community. This bill will help cultivate the innovation we will need to drive our economy into the 21st Century."

The Small Business Innovation Research Program (SBIR) and Small Business Technology Transfer (STTR) Reauthorization Act (H.R. 5819) would authorize an increase the amount of funds available to small businesses conducting research and development of new technologies by more than \$500,000,000. H.R. 5819 will also modernize the SBIR program so that it is in sync with the needs of small research firms. The bill paves the way for doubling the size of the SBIR and the STTR awards for Phase I and Phase II grants and includes provisions to encourage more small businesses to apply for funding.

The bill comes with provisions meant to increase competition within the small business community. With a focus on small firms owned by veterans, women, minorities and those located in rural areas, the SBIR/STTR Reauthorization act will make these programs more diverse and increase competition for these important awards.

The bill will also strike down a 2003 ruling made by the Small Business Administration that prohibits any small business receiving venture capital from receiving SBIR or STTR grants. The SBA's ruling forces small businesses to choose between private and public funding and restricts the environment of innovation the SBIR and the STTR were originally intended to establish.

Finally, the bill will put a greater emphasis on commercialization of the new technologies created by the small businesses receiving these grants through the creation of public-private partnerships and technical assistance to see that these technologies can reach the marketplace

quicker and more efficiently.

"This bill gives small businesses the tools to compete in the global market and with each other," Rep. Melancon said. "Competition yields innovation and I am proud to vote for a bill that helps more small businesses compete."

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